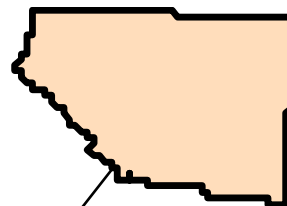
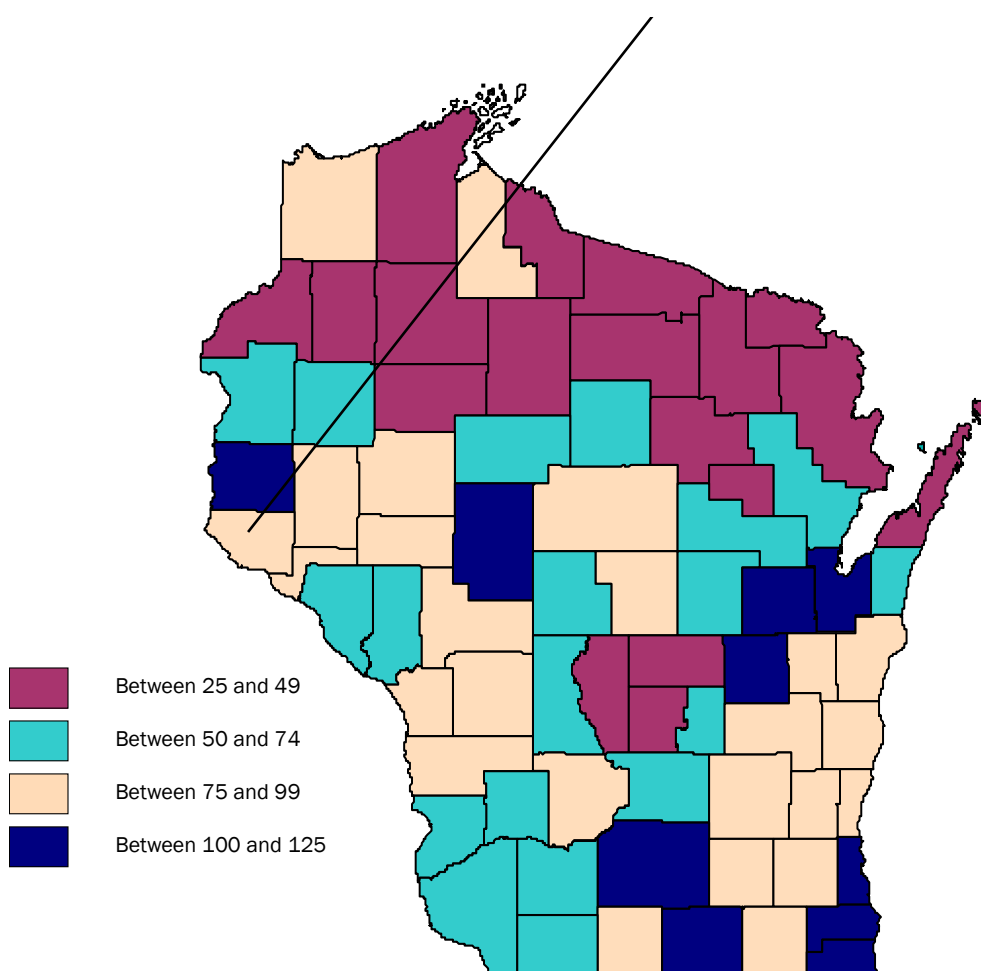


Pierce County Workforce Profile



The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

The population in Pierce County continued to increase at a faster pace than both the nation and Wisconsin and ranked 26th fastest growing among the state's 72 counties. From Census 2000 to January 2004 the population in Pierce County increased 4.9 percent by adding 1,811 residents.

All but three of the 25 municipalities added residents during the four-year period and five of the ten largest municipalities

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Pierce County	36,804	38,615	1,811	4.9%
Largest Municipalities				
River Falls, City*	10,242	10,678	436	4.3%
Prescott, City	3,764	3,873	109	2.9%
Ellsworth, Village	2,909	3,056	147	5.1%
River Falls, Town	2,304	2,379	75	3.3%
Clifton, Town	1,657	1,853	196	11.8%
Trenton, Town	1,737	1,806	69	4.0%
Oak Grove, Town	1,522	1,770	248	16.3%
Trimbelle, Town	1,511	1,544	33	2.2%
Spring Valley, Village*	1,187	1,263	76	6.4%
Martell, Town	1,070	1,137	67	6.3%

*Pierce County portion only

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

out-paced the percent increase of the county. These municipalities, as well as the county, are growing so fast because they attract new residents who migrate to the area in addition to adding residents from an increase from natural causes (births minus deaths).

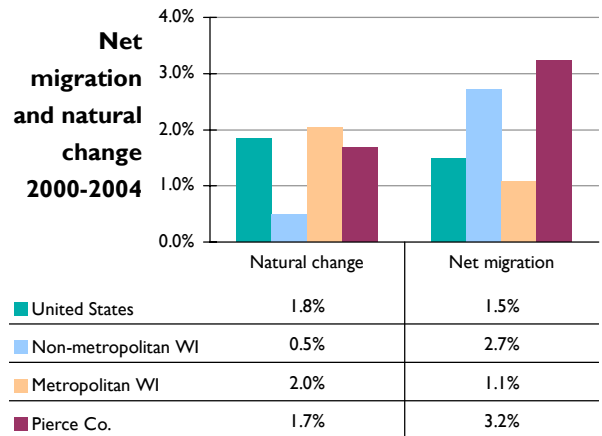
The percent increase in county population attributed to net migration, more people moving to the county than leaving the county, greatly exceeded both the state increase of 1.6 percent and the migration rate in the United States. Many of these new residents work in the Twin Cities, but choose to live in Pierce County. It is one of the reasons that the county is part of the Minneapolis-St. Paul metropolitan area. Most of these workers moved to the county during the last decade and the county continues to attract new residents.

Those who migrate are often older and many times come with families. This certainly appears to be the case since the fertility rate (see glossary) is only 43.5 in the county com-

pared to 58.7 in Wisconsin. Still, the number of very young residents is increasing and there are fewer deaths in the county than births. The bottom chart does show an increase in residents aged 20-24 years old, but that reflects students attending classes in post-secondary institutions.

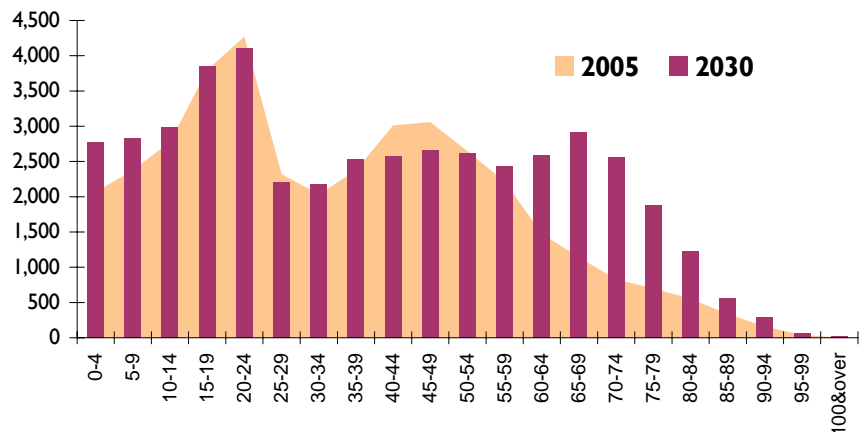
The chart illustrates the impact of youth on the county's current and projected population. The spike resulting from college students does not move right with the projection to 2030 since most students leave the county after graduation, while the smaller bump created by baby-boomers, those currently in the 40 to 59 year old groups, does move to the right. In the next 20 years the latter group will dominate changes in the labor market.

Roughly 14 percent of the population is currently over 60 years old, but by 2030 that share expands to 26 percent. In contrast, the change in the population under 25 years old will be less dramatic. Currently, 40 percent of



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Pierce County



Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

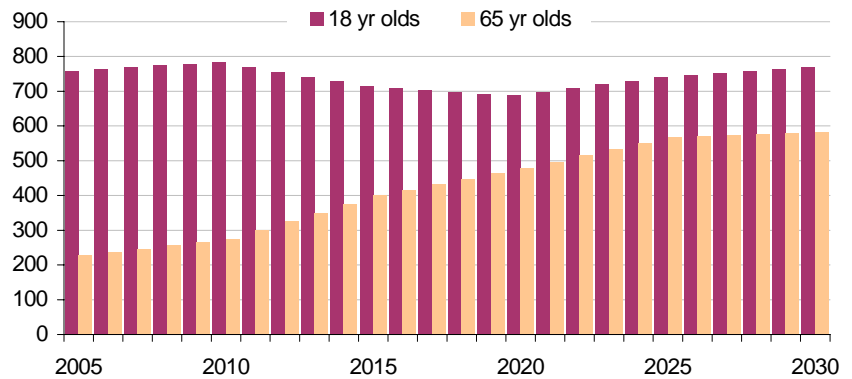
the current population is under 25 years old and that shrinks to 36 percent by 2030. The group of residents between 25 and 59 years old, those in their primary working years, will shrink from 46 percent of the population to 38 percent by 2030.

The impact of an aging population is perhaps more obvious in terms of services that they will require. But it also impacts the availability of labor, especially when lower fertility rates also means fewer young people. Assuming that 65 years old represents an average age of retirement and that 18 years old represents high school graduation then a plot of the number of these residents points to a time when the first group approaches the size of the second in number. Although there is no convergence in Pierce County, the gap narrows considerably in the years that follow 2016.

As residents age their participation in the labor force declines. Labor force participation rates (LFPR, see glossary) among the population 25 to 50 years of age generally exceed 90 percent in Pierce County. But, after 55 years the LFPR begins to drop and by 60 years it is near 50 percent.

The county population is projected to increase during the projection period. However, because a greater share of the population will be over 50 years, an age when labor force participation declines, total labor force growth will stall. The three columns in the chart on the right illustrate labor force composition. Most notable is the increasingly larger sections representing workers over 65 years in the top sections.

Convergence of 18 & 65 year old population in Pierce County

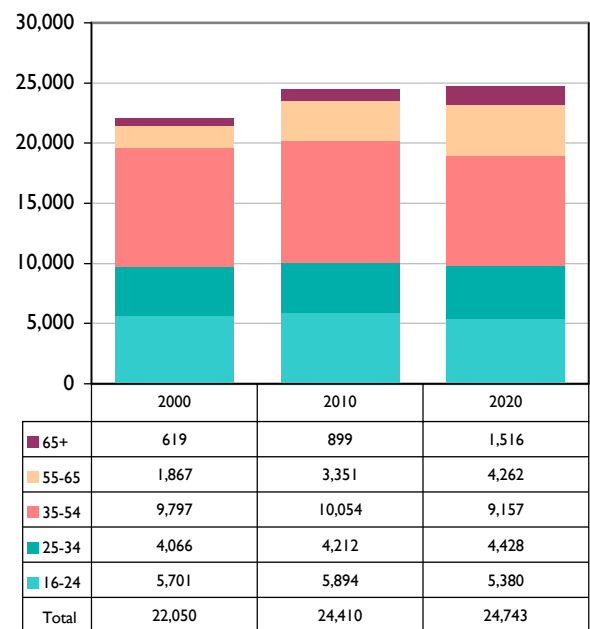


Source: WI Dept. of Administration, Demographic Services

This projection uses national assumptions that included a slight increase in the participation rates of older residents but did not factor in the declining participation rates of white residents; and the population in Pierce County is 97 percent white.

Two broad scenarios arise from the disparity in age and ethnicity: 1) there will be labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills; and 2) the aging population will impact the economy as the elderly demand changes in the types of goods and services provided in local communities.

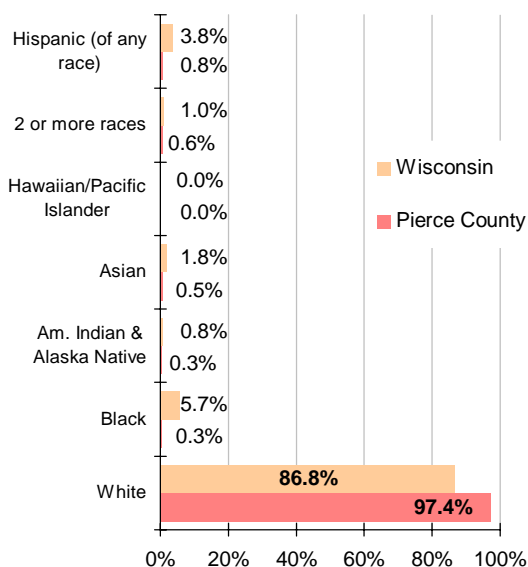
Pierce County Labor Force Projections by Age



Decade change	15.1%	10.7%	1.4%
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Source: DWD, Office of Economic Advisors, August 2004

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

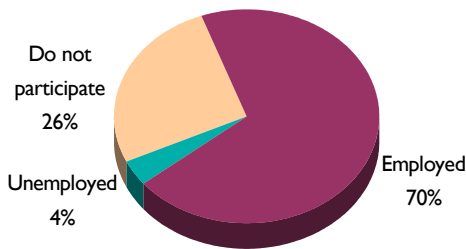
Current Labor Force

Labor force participation represents the share of population that is 16 years old and older that is either employed or unemployed. Participation rates in Wisconsin and the United States in 2003 were 72.9 and 66.3 percent, respectively.

In Pierce County the participation rate was 73.5 percent. That means that 26 percent of the population 16 years old and older did not participate. That includes some students and individuals who choose not to work including retirees. As

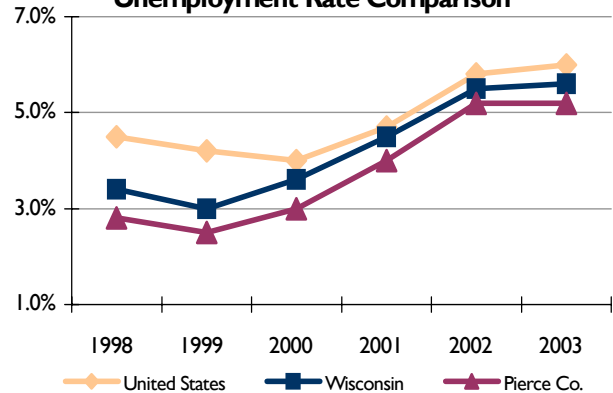
fewer new entrants to the labor force during the last recession is one of the reasons unemployment rates remained as low as they did. The unemployment rate in Pierce County in 2003 was 5.2 percent compared to a 9.7 percent unemployment rate following the 1981-82 recession when the baby-boomers were entering the labor force in droves.

Labor force participation in Pierce County



Source: DWD, Office of Economic Advisors, July 2004

Unemployment Rate Comparison



the population ages, more retirees will be included in the non-participating category by choosing not to work and the overall labor force participation rate will decline.

There will also be fewer new entrants into the labor force, who are seeking first-time jobs and, consequently, fewer included among the unemployed. That, in turn, will produce lower unemployment rates. The fact that there were

Pierce County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	20,562	20,280	20,810	21,180	21,058	21,467
Employed	19,993	19,774	20,178	20,333	19,973	20,355
Unemployed	569	506	632	847	1,085	1,112
Unemployment Rate	2.8%	2.5%	3.0%	4.0%	5.2%	5.2%

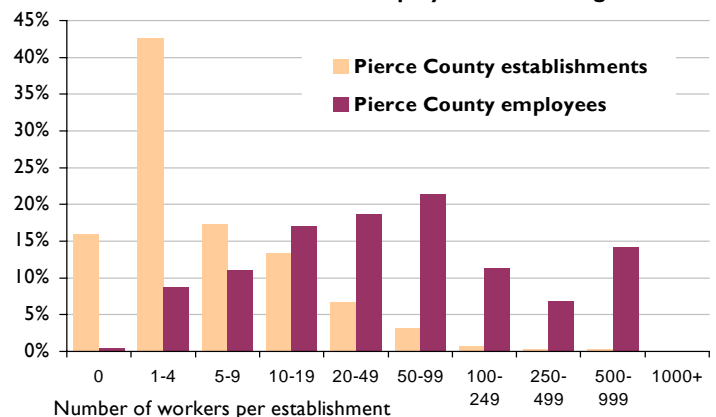
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

Nationwide, about one-quarter of the jobs are with employers that have 250 or more employees compared to roughly 31 percent in Wisconsin. The picture in Pierce County is very similar to the nation. Of the roughly 9,150 jobs in the county, 21 percent are with employers with 250 or more workers. In stark contrast, the share of employers with 250 or more workers comprises less than one percent of all employers in Pierce County, very similar to the less than one percent in the nation and in Wisconsin.

The greatest share of jobs in the county is with employers in the 50-99 employee range. However, the greatest share of employers, 59 percent, has less than five workers. The average employer in Pierce County has 10 employees, compared with 17 employees in Wisconsin and 13 in the United States.

Share of establishments & employees in size range in



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

There are four employers in Pierce County with more than 250 employees and two have more than 500 employees. All are in the public sector and three are part of the largest industry in the county, educational services. Education services includes five local school districts, the University of Wisconsin, Chippewa Valley Technical College, as well as several smaller private training facilities.

The second largest industry, food services and drinking places, is not represented on the employer list. This industry is comprised of many smaller employers that together provide 1,050 jobs in the county. The average size employer in food services and drinking places has 13 employees.

There are no manufacturing industries in the top ten and only one appears on the list of top employers.

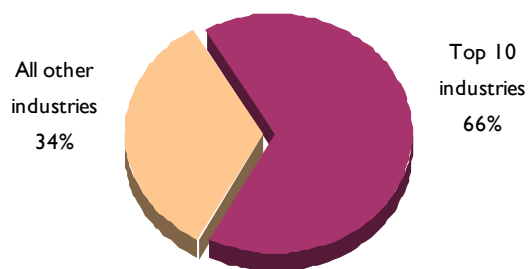
Top 10 Industries in Pierce County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Educational services	11	1,984	-33	68
Food services & drinking places	83	1,051	11	-24
Nursing & residential care facilities	9	695	5	203
Executive, legislative, & gen government	23	469	-31	-1
Ambulatory health care services	38	411	35	78
Food & beverage stores	10	352	-9	-71
Professional & technical services	55	327	22	56
Truck transportation	35	283	16	-9
Specialty trade contractors	53	260	-11	44
Credit intermediation & related activity	12	224	-10	51

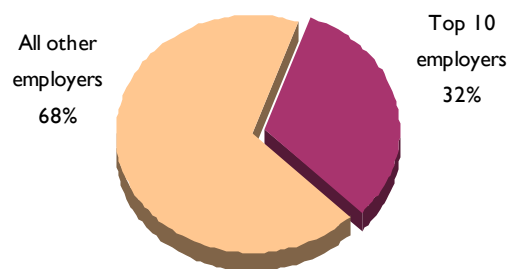
Top 10 Employers in Pierce County

Establishment	Product or Service	Size (Dec. 2003)
University of Wisconsin- River Fall	Colleges and universities	500-999 employees
School District of River Falls	Elementary and secondary schools	500-999 employees
Ellsworth Community School District	Elementary and secondary schools	250-499 employees
County of Pierce	Executive, legislative, & gen. government offices	250-499 employees
REM Wisconsin III Inc.	Residential mental retardation facilities	100-249 employees
Thomas & Betts Corp.	Iron, steel pipe and tube from purchase steel	100-249 employees
School District of Prescott	Elementary and secondary schools	100-249 employees
Spring Valley Health Care Center Inc	Nursing care facilities	100-249 employees
Erickson More-4 River Falls	Supermarkets and other grocery stores	100-249 employees
Western Wisconsin Medical Associate	Offices of physicians, except mental health	100-249 employees

Share of jobs in top 10 industries in Pierce County



Share of Pierce County jobs with top 10 employers



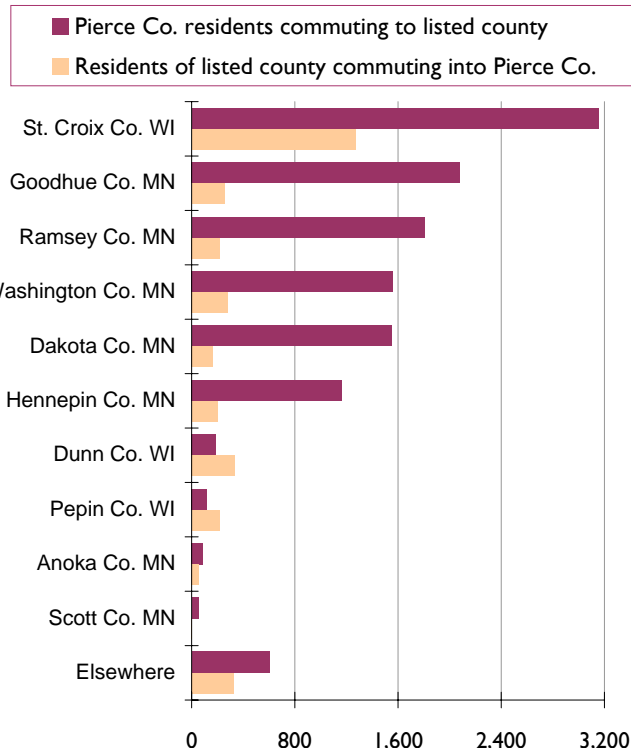
Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

Commuting

In Pierce County 12,372 residents, nearly 60 percent of the county's workforce, traveled out of the county for a job. Nearly 70 percent of the workers who left the county headed for destinations in Minnesota. This is the reason that Pierce County is one of thirteen counties included in the Minneapolis-St. Paul metropolitan area. Most workers crossing the river to Goodhue County are headed to the City of Red Wing. After that, the most popular destination is the City of St. Paul in Ramsey County.

For those who traveled to other counties in Wisconsin, the most popular destination is the St. Croix County portion of the City of River Falls followed by the City of Hudson. The fact that so many residents travel out of the county for a job is the primary reason that the labor force in Pierce County is greater than the number of jobs with county employers.

Even though over half the workforce leaves the county for a job, employers in Pierce County attract roughly 3,335 workers who travel from neighboring communities to work in local jobs. Most of the incoming workers travel from St. Croix and Dunn counties in Wisconsin, but over 1,300 travel from Minnesota counties. From nearly all directions, the destination for four of every ten inbound commuters is the City of River Falls. The city attracts nearly 1,370 non-county workers to help local employers fill job vacancies. A popular destination for workers from the east is the Village of Elmwood.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

The jobs in Pierce County share some characteristics with neighboring counties and those similarities were used to define a labor supply area. The list on the right includes wages for some of the occupations with the most employment in that area. It is significant because these 20 occupations provide approximately 31,400 jobs, or 37 percent of total employment, in the combined county area.

Each occupation includes a mean (average) and median (50th percentile) hourly wage probably the most frequently requested wage information. If the mean and median are relatively close the labor market for that occupation is probably tight.

Eleven of the 20 occupations typically require only short-term training and, for the most part, have a mean hourly wage under \$11/hour. There are also jobs on this list that typically require only moderate to long-term training periods and have mean wages that exceed \$11/hour. Four of the occupations typically require college degrees.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Truck drivers, heavy & tractor-trailer	\$22.58	\$16.30	\$23.73	\$27.76
Retail salespersons	\$9.70	\$6.94	\$8.36	\$10.80
Cashiers	\$7.52	\$6.33	\$7.24	\$8.44
Team assemblers	\$11.65	\$9.73	\$11.75	\$13.38
Comb. food prep. & serving workers (fast food)	\$7.38	\$6.20	\$7.13	\$8.31
Nursing aides, orderlies, & attendants	\$10.12	\$9.05	\$10.09	\$11.15
Waiters & waitresses	\$8.05	\$6.07	\$6.89	\$8.71
Janitors & cleaners, except maids & hskpg. cleaners	\$10.56	\$8.71	\$10.54	\$12.46
Bookkeeping, accounting, & auditing clerks	\$12.23	\$9.75	\$12.02	\$14.44
Office clerks, general	\$10.28	\$8.00	\$10.28	\$12.39
Secretaries, except legal, medical, & executive	\$11.74	\$9.99	\$11.79	\$13.49
Stock clerks & order fillers	\$10.18	\$7.74	\$10.39	\$12.25
Elem. school teachers, except special ed.	-	-	-	-
Registered nurses	\$23.55	\$19.41	\$22.19	\$26.01
Sec. school teachers, except special & voc. ed.	-	-	-	-
Teacher assistants	-	-	-	-
Carpenters	\$15.55	\$12.67	\$15.35	\$17.50
Laborers & freight, stock, & material movers, hand	\$10.51	\$8.15	\$10.09	\$12.47
Bartenders	\$8.58	\$7.00	\$7.77	\$8.58
General & operations managers	\$38.59	\$22.87	\$32.53	\$47.57

Pierce County is part of an area which includes Buffalo, Dunn, Pepin, Pierce, Polk, St. Croix and Trempealeau counties.

Source: DWD, Office of Economic Advisors, special tabulation using EDS and OES 2003

Employment and Wages

The number of jobs with Pierce County employers increased by 169 from 2002 to 2003 producing a change of 1.8 percent compared to a change of -0.2 percent in Wisconsin. Most of the county's increase occurred with the addition of 105 jobs with the group of trade, transportation, and utilities employers. Employment in this industry increased 6.6 percent in the county, exceeding the reduction of 0.3 percent in Wisconsin.

Employers in trade, transportation and utilities provide the second greatest share of jobs, 18.6 percent, in Pierce County; but the most jobs, nearly one-third, are with employers that provide education and health services. Education and health services in this case includes public education and many of the county's largest employers. Employers in this industry group also have the largest payroll in the county, but the average annual wage of \$30,186 is only 86 percent of wages for workers in similar jobs statewide.

The highest average annual wage in professional and business services is earned by workers in only four percent of the jobs in the county. Another four percent of the county's workers earn the lowest annual wages in leisure and hospitality.

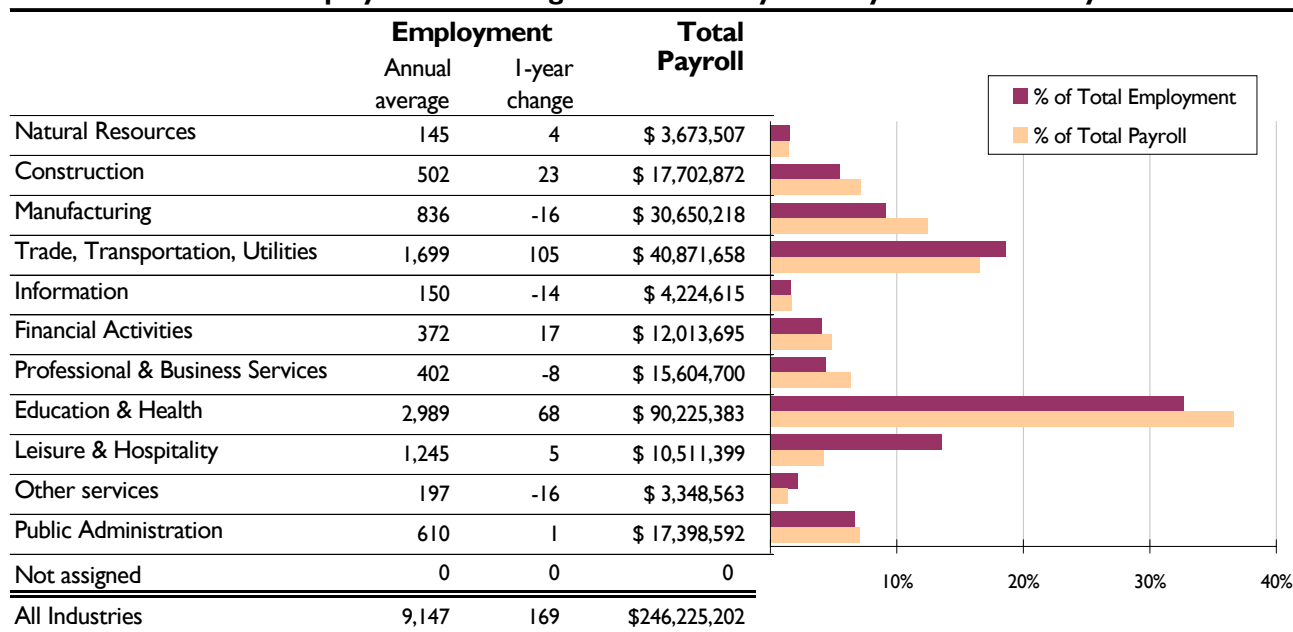
Average Annual Wage by Industry Division in 2003

	Average Annual Wage		Percent of	1-year
	Wisconsin	Pierce County	Wisconsin	% change
All Industries	\$ 33,423	\$ 26,919	80.5%	10.0%
Natural resources	\$ 25,723	\$ 25,335	98.5%	13.7%
Construction	\$ 40,228	\$ 35,265	87.7%	4.6%
Manufacturing	\$ 42,013	\$ 36,663	87.3%	2.3%
Trade, Transportation, Utilities	\$ 28,896	\$ 24,056	83.3%	5.6%
Information	\$ 39,175	\$ 28,164	71.9%	-13.8%
Financial activities	\$ 42,946	\$ 32,295	75.2%	4.3%
Professional & Business Services	\$ 38,076	\$ 38,818	101.9%	6.2%
Education & Health	\$ 35,045	\$ 30,186	86.1%	1.0%
Leisure & Hospitality	\$ 12,002	\$ 8,443	70.3%	4.1%
Other services	\$ 19,710	\$ 16,998	86.2%	3.2%
Public Administration	\$ 35,689	\$ 28,522	79.9%	5.4%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

Wages in these two industry groups exemplify several factors that influence average wages that include occupation composition (professional and technical jobs like those in professional and business services generally have higher wages than clerical and service occupations), job tenure (those with more seniority are paid more than new hires), average workweek (full or part-time), and seasonal and temporary employment, which generally affect more workers in the leisure and hospitality industry.

2003 Employment and Wage Distribution by Industry in Pierce County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

Per capita personal income (see glossary) increased only 1.8 percent in Pierce County in 2002, faster than in the United States, but slower than in Wisconsin and other metropolitan counties in the state. Over the 5-year period, however, PCPI increased 25 percent in Pierce County faster than other areas. The PCPI in the county is 92 percent of PCPI in Wisconsin and 87 percent of the United States and ranks 26th highest out of 72 counties in the Wisconsin.

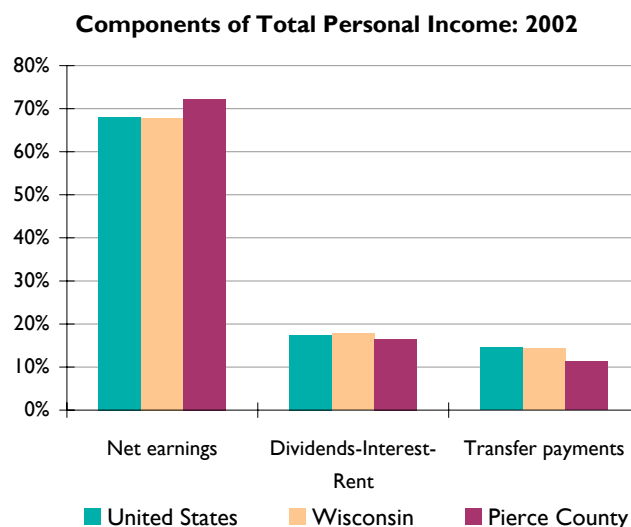
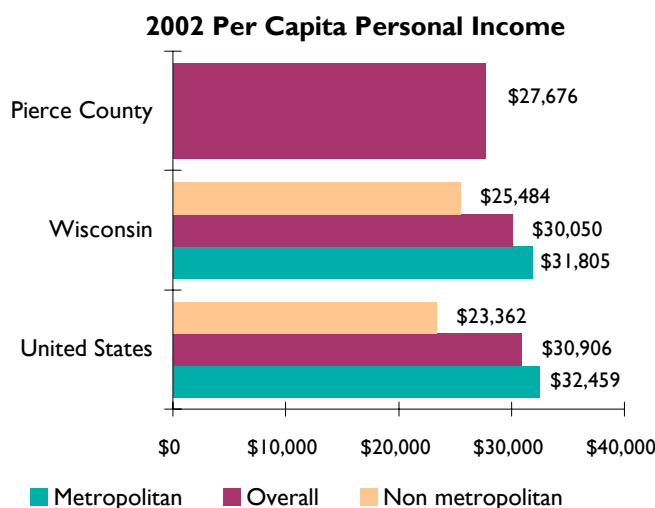
The greatest share of total personal income is net earnings from jobs, both in and out of the county, self-employment and proprietorships. Even though annual average wages are lower

in Pierce than in Wisconsin, the share of total personal income from net earnings in Pierce County of 72 percent is greater than the 68 percent of both the state and nation. The primary reason is that nearly 54 percent of net earnings are from residence who work outside of Pierce County.

While PCPI is often used as a comparative income measure it should be remembered that population is also a key component. PCPI is the result of dividing total income by total population. Few residents under 18 years old earn income but they are still included in the formula. Likewise, a retired population has a much lower earning capacity.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Metropolitan WI	\$25,972	\$27,711	\$28,770	\$30,317	\$31,106	\$31,805	2.2%	22.5%
Pierce County	\$22,161	\$23,572	\$24,590	\$25,773	\$27,190	\$27,676	1.8%	24.9%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Metropolitan WI	\$29,111	\$30,584	\$31,067	\$31,672	\$31,598	\$31,805	0.7%	9.3%
Pierce County	\$24,840	\$26,016	\$26,554	\$26,926	\$27,620	\$27,676	0.2%	11.4%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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Hayward, WI 54843
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email: Beverly.Gehrke@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Fertility rate - Number of live births per 1,000 women aged 15-44 years.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.